

SEP 27 '11 -4 30 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

September 27, 2011

Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423

Dear Section Chief,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Security Agreement, dated as of September 27, 2011, a primary document as defined in the Board's Rules for the Recordation of Documents

The names and addresses of the parties to the enclosed document are

Secured Party:	International Bank of Commerce 1200 San Bernardo Ave. Laredo, TX 78042
Debtor:	South Texas Locomotive Service, LLC 113 Creekbend Dr Brownsville, TX 78521

Chief
Section of Administration
September 27, 2011
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A description of the railroad equipment covered by the enclosed document
is

28 locomotives SP 7753 and within the series UP 157 – UP 7791 and
WAMX 903 – WAMX 8001

A short summary of the document to appear in the index is:

Memorandum of Security Agreement.

Also enclosed is a check in the amount of \$41 00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned

Very truly yours,



Edward M Luria

EML/sem
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT

This MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") dated as of September 27, 2011 is between INTERNATIONAL BANK OF COMMERCE, a Texas state banking corporation, as Secured Party, and SOUTH TEXAS LOCOMOTIVE SERVICE, LLC, a Texas limited liability company, as Debtor.

The parties to this Memorandum hereby acknowledge and confirm the following:

A. Debtor and Secured Party have entered into that certain Security Agreement, dated on or about the date hereof (as amended, amended and restated, modified or otherwise in effect from time to time, collectively, the "Security Agreement") pursuant to which, among other things, Debtor has granted to Secured Party a first priority security interest in certain locomotives identified on Schedule 1 attached hereto (collectively, the "Equipment") and all leases, use agreements and other agreements in connection with and related to the Equipment identified on Schedule 1.

B. The parties hereto wish to show for public record this Memorandum and accordingly have caused this Memorandum to be executed by their officers and/or representatives thereunto duly authorized, as of the date first written.

C. This Memorandum may be executed in multiple counterparts, each such counterpart shall be binding on both parties hereto, notwithstanding that both parties are not signatories to the same counterpart.

[The remainder of this page is intentionally left blank]

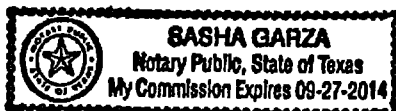
IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

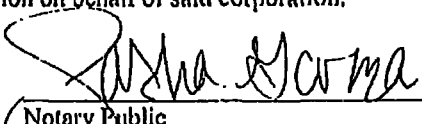
INTERNATIONAL BANK OF COMMERCE,
a Texas state banking corporation

By: 
Name: SERGIO GONZALEZ
Title: ASSISTANT VICE PRESIDENT

State of Texas §
 § ss
County of Cameron §

The foregoing Memorandum was acknowledged before me, the undersigned Notary Public, this 27 day of Sept., 2011, by Sergio Gonzalez, as Asst. VP. of International Bank of Commerce, a Texas state banking corporation on behalf of said corporation.




Notary Public

My commission expires: 9.27.14

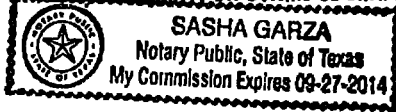
IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

SOUTH TEXAS LOCOMOTIVE
SERVICE, I.L.C.,
a Texas limited liability company

By: _____
Name: HARRY HOLZMAN
Title: MANAGER

State of Texas §
 § ss
County of Cameron §

The foregoing Memorandum was acknowledged before me, the undersigned Notary Public, this 21 day of Sept, 2011, by Harry Holzman, as Manager of South Texas Locomotive Service, LLC, a Texas limited liability company, on behalf of said limited liability company.



Sasha Garza
Notary Public

My commission expires: 9.27.14

SCHEDULE I

28 locomotives, identified as follows:

UP 223
UP 200
UP 7791
UP 157
UP 185
UP 188
UP 180
SP 7753
UP 229
UP 1162
WAMX 905
WAMX 4106
WAMX 4107
WAMX 4108
WAMX 4109
WAMX 4110
WAMX 4111
WAMX 4114
WAMX 7027
WAMX 1803
WAMX 903
WAMX 1202
WAMX 3005
WAMX 7017
WAMX 1001
WAMX 3022
WAMX 8001
WAMX 1002

CERTIFICATION

I, Edward M Luria, an attorney licensed to practice in the District of Columbia, the State of Delaware and the Commonwealth of Pennsylvania, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document

Dated 9/27/11

Edward M Luria
Edward M Luria